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THE HANCOCK NATIONAL BANK, PLAINTIFF IN ERROR,

vs.

JONATHAN F. FARRAR.

IN ERROR TO THE SUPREME COURT OF THE STATE OF NEW HAMPSHIRE.

[redacted]

(16,900.)

(16,900.)

SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1898.

No. 315.

THE HANCOCK NATIONAL BANK, PLAINTIFF IN ERROR,

vs.

JONATHAN W. FARNUM.

IN ERROR TO THE SUPREME COURT OF THE STATE OF RHODE ISLAND.

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JUDD & DETWEILER, PRINTERS, WASHINGTON, D. C., DECEMBER 2, 1898.

1 UNITED STATES OF AMERICA, *ss.*:

[Seal of Circuit Court, Rhode Island.]

The President of the United States to the honorable the judges of the supreme court of the State of Rhode Island, holden at Providence, within and for the county of Providence, Greeting:

Because in the record and proceedings, as also in the rendition of the judgment of a plea which is in the said supreme court, before you or some of you, being the highest court of law or equity of the State of Rhode Island in which a decision could be had, in the suit between The Hancock National Bank, a banking association, to wit, a corporation duly organized and existing under the laws of the United States of America, and having its usual place of business at Boston, in the county of Suffolk and Commonwealth of Massachusetts, plaintiff, and Jonathan W. Farnum, of Woonsocket, in the county of Providence and said State of Rhode Island, defendant, in an action on the case, wherein was drawn in question the validity of a treaty or statute of or an authority exercised under the United States and the decision was against their validity, or wherein was drawn in question the validity of a statute of or authority exercised under said State, on the ground of their being repugnant to the Constitution, treaties, or laws of the United States, and the decision was in favor of such their validity, or wherein was drawn in question the construction of a clause of the Constitution or of a treaty or statute of or commission held under the United States and the decision was against the title, right, privilege, or exemption specially set up or claimed under such clause of the said Constitution, treaty, statute, or commission, a manifest error hath happened, to the great damage of the said Hancock national bank, as by its complaint appears, we, being willing that error, if any hath been, should be duly corrected and full and speedy justice done to the parties aforesaid in this behalf, do command you, if judgment be therein given, that then, under your seal, distinctly and openly, you send the record and proceedings aforesaid, with all things concerning the same, to the Supreme Court of the United States, together with this writ, so that you have the same at Washington on the 15th day of June next, in the said Supreme Court, to be then and there held, that, the record and proceedings aforesaid being inspected, the said Supreme Court may cause further to be done therein to correct that error what of right and according to the laws and custom of the United States should be done.

Witness the Honorable Melville W. Fuller, Chief Justice of the said Supreme Court, the sixteenth day of May, in the year of our Lord one thousand eight hundred and ninety-eight.

WILLIAM P. CROSS,
Clerk of the Circuit Court of the United States for the District of Rhode Island.

Allowed.
CHARLES MATTESON,
Chief Justice of the Supreme Court of the State of Rhode Island, &c.

2 [Endorsed:] Hancock National Bank, pl'ff in error, *vs.* Jonathan B. Farnum, def't in error. Writ of error. Supreme court, com. pleas div., May 16, 1898. Geo. E. Webster, clerk.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS, *Providence,* } *sc:*

Supreme Court, Common Pleas Division.

And now, here, the justices of the supreme court, sitting in the common pleas division of the supreme court within and for said county of Providence, make return of this writ by annexing hereto and sending herewith, under the seal of said division, a true and attested copy of the record and proceedings in the suit within mentioned, with all things concerning the same, to the Supreme Court of the United States, as within commanded.

In testimony whereof I, George E. Webster, clerk of said common pleas division within and for said county, have hereto set my hand and affixed the seal of said division of said court this twenty-seventh day of May, A. D. one thousand eight hundred and ninety-eight.

{ Seal Supreme Court, Providence County, Common Pleas Division, State of Rhode Island and Providence Plantations. }

GEO. E. WEBSTER, *Clerk.*

3 UNITED STATES OF AMERICA, *ss:*

The President of the United States to Jonathan B. Farnum, of Woonsocket, in the county of Providence, in the State of Rhode Island, Greeting:

You are hereby cited and admonished to be and appear at a Supreme Court of the United States, to be holden at Washington, on the fifteenth day of June next, pursuant to a writ of error filed in the clerk's office of the supreme court of the State of Rhode Island, wherein The Hancock National Bank of Boston, in the county of Suffolk and Commonwealth of Massachusetts, is plaintiff in error and you are defendant in error, to show cause, if any there be, why the judgment rendered against the said plaintiff in error, as in the said writ of error mentioned, should not be corrected and why speedy justice should not be done to the parties in that behalf.

Witness the Honorable Charles Matteson, chief justice of the said supreme court, this 18th day of May, in the year of our Lord one thousand eight hundred and ninety-eight.

CHARLES MATTESON,
Chief Justice of the Supreme Court.

Due and sufficient service of the above citation is hereby acknowledged this nineteenth day of May, A. D. 1898.

JONATHAN B. FARNUM,
By EDWARDS & ANGELL, *Att'ys.*

4 [Endorsed:] Hancock National Bank, pl'ff in error, *vs.* Jonathan B. Farnum, def't in error. Citation of writ of error. Supreme court, com. pleas div, May 19, 1898. Geo. E. Webster, clerk.

5 (Copy.)

THE STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS, *Providence,* } *sc:*

To the sheriffs of our several counties or to their deputies, Greeting:

[L. S.] We command you to attach the goods and chattels and real estate of Jonathan B. Farnum, alias John Doe, of Woonsocket, in said county, and them in safe custody keep, to the value of two thousand dollars; and to summon the said Jonathan B. Farnum to answer the complaint of Hancock national bank, a corporation legally created under the laws of the United States of America, having offices and doing business in Boston, in the Commonwealth of Massachusetts, on the return day hereof (said return day being the eight- day of January, A. D. 1897), in the common pleas division of the supreme court, to be holden at the court-house, in Providence, within and for our county of Providence, in an action of the case in assumpsit, as by declaration to be filed in court will be fully set forth, to the damage of the plaintiff, as it says, two thousand dollars.

Hereof fail not and make true return of this writ, with your doings thereon.

Witness the Honorable Charles Matteson, chief justice of our supreme court, at Providence, this 7th day of December, in the year 1896.

(S'g'd) GEO. E. WEBSTER, *Clerk.*

6 I, William J. Cronin, attorney for plaintiff named in the within writ, make affidavit and say that plaintiff has a just claim against the defendant named in said writ that is due, upon which it expects to recover in said action a sum sufficient to give jurisdiction to the court to which said writ is returnable.

(S'g'd) WILLIAM J. CRONIN.

Subscribed and sworn to, in Providence, in the county of Providence, the 7th day of December, A. D. 1896, before me—

(S'g'd) EDWARD C. STINESS,
Notary Public.

7 (*Officer's Return.*)

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS, *Providence,* } *sc:*

In the city of Woonsocket, in said county, on this 10th day of December, A. D. 1896, at 10 o'clock and 35 minutes a. m., I have made service of the within writ by attaching all the right, title, and

interest of the within-named defendant in and to *a* certain lots of and parcels of land and the buildings and improvements thereon, situated in the city of Woonsocket, bounded and described as follows, on the northwesterly side of South Main street, in said Woonsocket, and is bounded as follows: Beginning at the most easterly corner of said lot, at a point in the northwesterly line of South Main street, a corner of land formerly of the heirs of Peletiah Metcalf, thence southwesterly, on the northwesterly line of said street, ninety-one (91) feet to the most easterly corner of land of Florence E. Seagrove; thence northwesterly, at right angles with said street, (118 and $\frac{45}{100}$) feet with said Seagrove land to said Metcalf land; thence northwesterly with said Metcalf land (88 and $\frac{25}{100}$) feet to a stone bound; thence southeasterly with said Metcalf land (120 and $\frac{5}{100}$) feet in a straight line to the point of beginning, and recorded in Book No. 39, at page 371, in the records of land evidence of said city of Woonsocket, reference thereto being had; also one other lot of land *of land* situated in said city of Woonsocket and described as follows: Beginning at a point (120) feet westerly from South Main street, said point being the northerly corner of land late *late* of George B. Arnold, deceased, thence northwesterly (130) feet to a stone bound; thence at right angles southerly and (250) feet
8 distance from and on a line parallel with South Main street (85 and $\frac{4}{100}$) feet; then easterly at right angles to the last-mentioned line (131 and $\frac{50}{100}$) feet to the westerly corner of the said George B. Arnold land; thence westerly by and with the westerly line of said Arnold land (88 and $\frac{35}{100}$) feet to the point of beginning. Said land is recorded in the records of land evidence of the city of Woonsocket, at the recorder's office, in said Woonsocket, in Deed Book 39, at page 373, reference thereto being had, and have left an attested copy of this writ, with my doings endorsed thereon, with the recorder of deeds of the city of Woonsocket, and I have paid him his lawful fee for filing the same, to wit, 25 cents.

And have, at said Woonsocket, on this 10th day of December, A. D. 1896, left an attested copy of the within writ, with an endorsement thereon of a general reference to the real estate attached thereby, together with a statement of the date and time of day of such attachment, with the defendant, in his hands and possession.

(S'g'd) JOHN F. RABBITT,
Deputy Sheriff.

9 [Endorsed:] Writ of attachment. Hancock National Bank *vs.* Jonathan B. Farnum. (S'g'd) William J. Cronin, John E. Conley, pl'ff's att'y-. Supreme court, common pleas division. George E. Webster, clerk.

10 (*Declaration.*)

STATE OF RHODE ISLAND, *Providence,* } *sc:*

Supreme Court, Common Pleas Division.

HANCOCK NATIONAL BANK
vs.
JONATHAN B. FARNUM.

Plaintiff's declaration.

The Hancock National Bank of Boston (formerly known by the name of the Traders' National Bank of Boston, the change of name being by virtue of an act of the Congress of the United States), a corporation legally created under the laws of the United States of America, having offices and doing business in Boston, in the Commonwealth of Massachusetts, complains of Jonathan B. Farnum, of Woonsocket, in the State of Rhode Island, attached and summoned by the sheriff in an action of the case in assumpsit;

For that the plaintiff says that it is a creditor of the Commonwealth Loan and Trust Company, a corporation duly organized and existing under the laws of the State of Kansas; that by the consideration of the justices of the circuit court of the United States of America for the district of Kansas, at a term holden at Topeka, in said Kansas, on the eighth day of December, A. D. 1893, to wit, on the said eighth day of December, it recovered judgment against said corporation for the sum of $16,136.76, debt or damages, and $28.45, costs of suit; and thereafter, of the twenty-seventh day of April, A. D. 1894, execution issued against said corporation for $16,136.76 and said costs on said judgment; that after due search and diligence no property of said corporation could be found to be taken in satisfaction of said execution, and the same was returned to the plaintiff wholly unsatisfied.

11 And said corporation is not a railway or a religious or charitable corporation.

And the plaintiff says that the said defendant is a stockholder in said corporation, now owning and holding ten shares of the capital stock of said corporation of a par value of $100 each, and appearing as said stockholder upon the books of said corporation, whereby he is conclusively presumed to be a stockholder of said corporation within the meaning and liability of the General Statutes of the State of Kansas of 1889, paragraph 1192, a copy of which is hereto annexed and made a part hereof as Exhibit A, according to the interpretation of said paragraph in the supreme court of the State of Kansas, which is the highest court of said State.

And the plaintiff says that said defendant owes it the sum of $1,000 under and by virtue of his liability as a stockholder of said corporation, as set forth in said paragraph 1192, and also as set forth

in section 2, article 12, of the constitution of said State of Kansas, a copy of which is hereto annexed and made a part hereof as Exhibit B, which liability is a contractual liability and arises upon the contract of subscription to the capital stock of said corporation, made by said defendant in becoming a stockholder, as aforesaid, and that said defendant, in subscribing to said stock and becoming a stockholder, thereby guaranteed payment to the creditors of said corporation of an amount of the debt of said corporation equal to the par value of the stock held and owned by him, which should be payable to the judgment creditors of said corporation who first pursued their remedy under said paragraph 1192 against said defendant until the amount as guaranteed has been paid by him, and that said liability is several, and an action to enforce said liability is transitory and may be brought in any court of general
12 jurisdiction in the State where personal service can be made upon the stockholder, according to the interpretation of said liability under said paragraph by the decisions of said supreme court of the State of Kansas.

And the plaintiff begs leave to refer to the decisions cited in the schedule hereto annexed and made a part hereof as Exhibit C in proof of its allegations of the judicial interpretation of said paragraph 1192 and said article 12, section 2, by the supreme court of the State of Kansas.

And the plaintiff avers that it has recovered no judgment and brought no action under said paragraph 1192 or otherwise which, if prosecuted to final judgment and satisfaction thereof, will wholly satisfy said execution against said corporation or reduce the amount unsatisfied on said execution below one thousand dollars, and that it seeks to recover said amount, $1,000, against said defendant, being an amount equal to the par value of the stock held and owned by said defendant in said corporation.

And the plaintiff further avers that the said statute of the State of Kansas, as construed in the highest court of said State, as set forth, impose a liability upon said defendant to the plaintiff, as above set forth, and that full faith and credit should be given in this State and the courts thereof to said public acts, records, and judicial proceedings of said State of Kansas and to the judicial construction of such laws, acts, and records by the supreme court of said Kansas, which is the highest court of said State, as required by article 4, section 1, of the Constitution of the United States, and by section 905 of the Revised Statutes of the United States.

To the damage of the plaintiff two thousand dollars, as laid in its writ, dated December 7th, 1896.

13 Wherefore it sues by its attorneys,

(S'g'd) WILLIAM J. CRONIN.
JOHN E. CONLEY.

EXHIBIT "A."

General Statutes of Kansas, 1889.

Chapter 23, article 4, paragraph 1192.

"If any execution shall have been issued against the property or effects of a corporation, except a railway or religious or charitable corporation, and there cannot be found any property whereon to levy such execution, then execution may be issued against any of the stockholders, to an extent equal in amount to the amount of the stock by him or her owned, together with any amount unpaid thereon; but no execution shall issue against any stockholder, except upon an order of the court in which the action, suit or other proceeding shall have been brought or instituted made upon motion in open court, after reasonable notice in writing to the person or persons sought to be charged and upon such motion such court may order execution to issue accordingly; or the plaintiff in the execution may proceed by action to charge the stockholders with the amount of his judgment."

EXHIBIT "B."

Section 2, article 12, of the constitution of Kansas.

"Dues from corporations shall be secured by individual liability of the stockholders to an additional amount equal to the stock owned by each stockholder; and such other means shall be provided by law; but such individual liability shall not apply to rail-
14 road corporations nor corporations for religious or charitable purposes.

EXHIBIT "C."

Said stockholders' liability under paragraph 1192 is several.
Howell *vs.* Bank, 52 Kansas, 133.
Abbey *vs.* Dry Goods Company, 44 Kansas, 415.
Bank *vs.* Magnuson, 52 Kansas, 575.

Stockholders, according to the books, are liable.
Plum *vs.* Bank, 48 Kansas, 484.
Bemark *vs.* Barows, 52 Kansas, 779.

The liability is in contract.
Howell *vs.* Manglesdorf, 33 Kansas, 194.
Abbey *vs.* Long, *supra.*
Plum *vs.* Bank, *supra.*
Achenbach *vs.* Pomeroy Coal Co., 42 Pac. Rep., 734.

15 (*Demurrer.*)

PROVIDENCE, *sc:*

Supreme Court, Common Pleas Division.

HANCOCK NATIONAL BANK
v.
JONATHAN B. FARNUM.

Demurrer.

The defendant demurs to the plaintiff's declaration, and for grounds of demurrer says:

1. The declaration does not set out the statutes of the State of Kansas under which it is claimed that the defendant is liable.

2. The cause of action set out in the declaration arises upon liabilities created by the statutes of the State of Kansas, which will not be enforced by this court.

3. The declaration is insufficient and informal in other respects, which the defendant prays he may be allowed to assign at the hearing.

JONATHAN B. FARNUM,
(S'g'd) By his attorney-, EDWARDS & ANGELL.

16 (*Pleas.*)

PROVIDENCE, *sc:*

Supreme Court, Common Pleas Division.

HANCOCK N. BK.
v.
JONATHAN B. FARNUM.

Pleas.

The defendant, his demurrer being overruled, says:

1. He did not promise in manner and form in the declaration alleged.

2. He does not own the stock in the Commonwealth Loan & Trust Co., as alleged in the declaration, but holds the same as collateral to secure a debt due to him from one —— ——.

(S'g'd) By his attorneys, EDWARDS & ANGELL.

The defendant claims a jury trial.

(S'g'd) By his attorneys, EDWARDS & ANGELL.

17 (*Opinion.*)

HANCOCK NATIONAL BANK
v.
JONATHAN B. FARNUM.

Opinion.

STINESS, *J.:*

The declaration sets out that the plaintiff is a creditor of the Commonwealth Loan and Trust Company, a corporation under the laws of Kansas, upon a judgment of the U. S. district court for the district of Kansas; that execution issued on said judgment, which has been returned unsatisfied; that the defendant holds ten shares of the stock of said company of the par value of one hundred dollars each; that he owes the plaintiff the sum of one thousand dollars under the laws of Kansas, which provide that execution for an amount equal to his stock may issue against a stockholder, when property of the corporation cannot be found whereon to levy an execution against the corporation, or that the plaintiff may proceed by action to charge the stockholder; that by the constitution of Kansas and by decisions of its supreme court the liability of the stockholder is contractual, several and transitory, and that having been so decided under the provisions of the Constitution of the United States, an action on such liability may be had in his State. Art. 12, § 2, of the constitution of Kansas; art. IV, chap. 23, par. 1192, of the Kansas Statutes, and the decisions of the supreme court of Kansas in Howell *v.* Manglesdorf, 33 Kan., 194; Abbey *v.* Dry Goods Co., 44 Kan., 415, and Wells *v.* Robb, 43 Kan., 201, are made a part of the declaration.

The defendant demurs to the declaration.

18 The plaintiff does not claim that a purely statutory liability in one State is a cause of action in another State, but that when it is of a contractual nature or of a kind adapted to the *lex fori* it is a cause of action. Accordingly it seeks to bring this case within the contractual class, and its proposition is this:

The law is construed in Kansas to constitute a contract; full faith and credit must be given to this construction as a judicial proceeding in other States; hence the plaintiff is entitled to enforce in this State the liability of a stockholder in a Kansas corporation, as on a contract.

The argument is pressed with ability and plausibility, but we are not able to see that it is applicable to this case. The declaration does not aver that the defendant has made a contract, nor that the law under which the corporation exists has made him a contracting party, but that an opinion of the supreme court of Kansas says that the relation between a stockholder and a corporation creditor is that of a contract.

The provision of the Federal Constitution relates to statutes, judgments, and decrees. These are the things which are to have full faith and credit in the several States. Opinions of courts are

not judgments, and although a court, in the interpretation of the statutes of its own State, will be followed by other courts, there is no rule of comity or law that a court should be followed when its opinion is given simply upon its interpretation of general legal principles. Still less would an opinion be binding when it is not a decision, but merely a dictum. It does not appear to us that the opinion of the supreme court of Kansas, which is relied on in this case on the matter of contract, was, as to that question, anything more than a dictum. Howell *v.* Manglesdorf is the leading case. But the
19 question to be decided was whether execution could be ordered against a non-resident stockholder upon a notice served outside of the State, and the court said that it could not. Incidentally the court said that the liability was statutory and in the nature of a guaranty; but this was not a question in the case, nor was the statement one which applied to any interpretation of the statute involved in the question at issue; it was only a remark upon the general nature of the liability, in connection with the statement that it was independent of that of the company, and at the close of the opinion the dictum is added that an action may be brought in any State where service can be made. Abbey *v.* Dry Goods Co., 44 Kan., 415, and Howell *v.* National Bank, 52 Kan., 133, simply decided that stockholders must be sued separately. Plum *v.* Bank, 48 Kan., 484, and Van Demark *v.* Barons, 52 Kan., 779, decided that stock must be transferred on the books of the bank. None of these cases decide that a contract arises under the statute, and even if it did it would be a decision on general legal principles and not an interpretation of the statute itself. Assuming, however, that the opinion of the supreme court of Kansas is that the relation of a stockholder to creditors is contractual it is not a binding opinion upon us; it is not a judgment to which full faith and credit must be given under the Federal Constitution, and, giving to it the high respect which is due to the court from which it comes, it still falls short of establishing, as a matter of pleading in this declaration, the fact of a contract by the defendant in Kansas by virtue of the statute. The clause of the constitution of Kansas cited in the declaration does not create, or purport to create, the liability. It is not a self-executing provision, but one which implies that legislation is necessary to carry it into effect. Marshall *v.* Sherman, 148
20 N. Y., 9. The supreme judicial court of Massachusetts overruled a demurrer to a similar declaration in Hancock Bank *vs.* Ellis, 166 Mass., 414, but it did so upon the ground that the declaration set out that the defendant, according to the law of Kansas, was liable to a judgment creditor of a corporation as upon a contract which is suable anywhere. It does not appear that the court made any examination of the law in Kansas, nor that the decisions upon which the contractual liability is supposed to rest were made a part of the declaration. The declaration averred a judicial interpretation, that the law declared the liability to be contract; and, being so set out, the court said that the declaration stated a case, thus achieving, in the apt words of the defendant's counsel in this case, "a temporary triumph of mendacious pleading."

From this examination we think it sufficiently appears that the declaration states no case of a contract under the decisions of the supreme court of Kansas or the constitution of the State.

We come, then, to the question whether we can construe the statute of Kansas to create a contractual relation. However much the provisions which make a stockholder liable for debts of a corporation may differ in the several States, they are essentially the same in principle. They declare a liability and provide for its enforcement. In this respect the statute of Kansas is like our statute, which makes stockholders of manufacturing corporations liable for corporate debts until the capital stock is paid in and a certificate filed. In Sayles *v.* Bates, 15 R. I., 342, this court decided that the liability was statutory and not contractual, and so held a married woman to be liable as a stockholder. Certainly the ordinary elements of a contract are wanting. The minds of the stock-
21 holder and corporation creditor have not met upon the subject-matter of the original debt; no credit has been given to the stockholder directly; he has not directly received the consideration, nor has he made a promise, express or implied. There is nothing between them which at common law would be regarded as a contract; but the statute imposes a liability upon grounds of equity and public policy. The cases which hold that the liability is contractual do so either upon the theory that in subscribing to the stock the stockholder has assumed the liability as a contract, or that by reason of his relation to the corporation he has become a guarantor of its debts. See Flash *v.* Conn, 109 U. S., 371; Ferguson *v.* Sherman, 47 Pac. Rep., 1023 (Cal.); Paine *v.* Stewart, 30 Conn., 516, as to the subscription, and Howell *v.* Manglesdorf, *supra*, as to the guaranty. It is impossible to refer to all the cases, and these are sufficient as examples.

We are aware that the greater number of cases call the liability a contract, and undoubtedly the relation of a stockholder to a corporation has certain equitable features both of a contract and a guaranty, but we think it much more accurate to say that the liability is a statutory liability simply, incidental to the ownership of stock, than to say that it is a contract. In Rice *v.* Hosiery Co., 56 N. H., 114, the court says: "The liability which the plaintiff seeks to enforce is a mere creature of the statute, having none of the elements of a contract, whether express or implied; it is a naked statutory liability, entirely unknown to the common law, for the indebtedness of the corporation, however it may accrue, whether for the breach of a contract or the commission of a tort. The stockholder is not liable upon the contract in one case, nor for the tort in the other, but, under the statute, for the debt against the corporation which may grow out of either."

22 As this view is so clearly founded in reason, and as this court has already decided, in Sayles *v.* Bates, *supra*, that the liability is not a contract, we do not feel called upon to change that decision, even though the majority of courts may hold the other way.

It follows, therefore, that the declaration does not state a contract

under the law of Kansas, as construed by the decisions of the supreme court of that State to which we have been referred, nor by our construction of it.

But a statutory liability may sometimes be prosecuted in another State, and the question comes whether the liability here set out can be so prosecuted. The rule adopted by this court in O'Reilly *v.* N. Y. R. R. Co., 16 R. I., 388, is that a right of action created by statute in one State may be prosecuted in another when the two States have statutes relating to the subject which are substantially similar.

We do not think that the declaration before us states a case within this rule.

Under Gen. Laws R. I., cap. 178, § 9, stockholders of a bank are made liable for its debts, and under cap. 180 liabilities are imposed upon stockholders of manufacturing corporations; but the declaration does not aver that the Commonwealth Loan and Trust Company was either of these. If not, this action seeks to enforce a liability against a stockholder which is not enforceable under our laws. The statutes of a State do not operate beyond its own limits, and comity between States does not require that one State should enforce the statutory provisions of another State which are contrary to the policy of its own laws. New Haven *v.* Linden, 142 Mass., 349; Fowler *v.* Lamson, 146 Ill., 472; Bank *v.* Rindge, 154 Mass., 203; Lewis *v.* Woodfolk, 49 Tenn., 26.

23 A recent case *contra* is Guerney *v.* Moore, 32 S. W. Rep., 1132.

Our conclusion is that the demurrer must be sustained.

I certify that the foregoing is a true copy of the original opinion of the appellate division of the supreme court of the State of Rhode Island and Providence Plantations, holden at Providence, within the county of Providence, filed on the 14th day of April, A. D. 1898, in the action entitled Hancock National Bank *vs.* Jonathan B. Farnum.

[L. S.] (S'g'd) BERTRAM S. BLAISDELL,
Clerk of the Appellate Division of the Supreme Court in Providence.

24 (*Petition for Writ of Error.*)

STATE OF RHODE ISLAND, *Providence*, } ss:

Supreme Court. Law.

HANCOCK NATIONAL BANK, a Banking Association, to wit, a Corporation Duly Organized and Existing under the Laws of the United States of America and Having Its Usual Place of Business in Boston, in the County of Suffolk and Commonwealth of Massachusetts, Plaintiff in Error,

vs.

JONATHAN W. FARNUM, of Woonsocket, in the County of Providence, in said State of Rhode Island, Defendant in Error.

To the honorable the judges of the supreme court of the State of Rhode Island, holden at Providence, within and for said county of Providence:

And now comes The Hancock National Bank, a banking association, to wit, a corporation duly organized and existing under the laws of the United States of America and having its usual place of business at Boston, in the county of Suffolk and Commonwealth of Massachusetts, and says that manifest error hath happened, to the great damage of your petitioner, in the record and proceedings, and also in the rendition of a judgment in a suit between said bank, plaintiff, and Jonathan W. Farnum, of Woonsocket, in the
25 county of Providence and said State of Rhode Island, defendant, in the supreme court of said State, holden at Providence, within and for said county of Providence, being the highest court of law of said State of Rhode Island in which the decision could be had in said suit, and in which said court a final judgment was rendered against said Hancock national bank on the 19th day of April, A. D. 1898, in said suit, wherein was drawn in question the construction of the Constitution of the United States and of a statute of the United States and the decision was against the title, right, privilege, and exemption specially set up and claimed by said Hancock national bank under said Constitution and said statute, and wherein was further drawn in question the faith and credit to be given by said court to paragraph 1192 of the General Statutes of the State of Kansas for 1889, and to section 2, article 12, of the constitution of the State of Kansas, and of the judicial construction thereof by the highest courts of said State of Kansas, and the decision was against giving full faith and credit to the said statute and constitution and judicial construction thereof of the State of Kansas; all of which appears in the records and proceedings in said suit.

Wherefore your petitioner prays for a writ of error in said suit, to issue in due form of law, of the Supreme Court of the United States, to the end that such error shall be duly corrected and full and speedy justice done to the parties aforesaid in this behalf.

And your petitioner files herewith an assignment of errors, which sets out separately and particularly each error asserted and intended to be urged.

And your petitioner further offers a supersedias bond, in such sum and with such due and sufficient security as may be approved by the justices of this honorable court, that said Hancock na-
26 tional bank will prosecute its writ of error to effect and answer all damages and costs if it shall fail to make its plea good.

HANCOCK NATIONAL BANK,
By H. J. JAQUITH.
(S'g'd) W. R. BIGELOW.
WM. J. CRONIN.
JOHN E. CONLEY.

27 (*Assignment of Errors by Plaintiff in Error.*)

UNITED STATES OF AMERICA:

Supreme Court of the United States.

HANCOCK NATIONAL BANK, a Banking Association, to wit, a Corporation Duly Organized and Existing under the Laws of the United States of America and Having its Usual Place of Business in Boston, in the County of Suffolk and Commonwealth of Massachusetts, Plaintiff in Error,

vs.

JONATHAN W. FARNUM, of Woonsocket, in the County of Providence, in said State of Rhode Island, Defendant in Error.

Assignment of errors by plaintiff in error.

Now comes said Hancock National Bank, the plaintiff in error, and says that in the record and proceedings in the above-entitled suit there is a manifest error in this, to wit:

1. That in said suit there was drawn in question the construction of a statute of the United States, to wit, section 905 of the Revised Statutes of the United States, and the decision was against the title right, privilege, and immunity of the plaintiff in error specially set up and claimed under such statutes, to wit, said section 905 of the Revised Statutes of the United States.

2. That in said suit there was brought in question the Constitution of the United States, to wit, article 4, section 1, of the Constitution of the United States, and the decision was against the
28 title, right, privilege, and immunity of the plaintiff in error specially set up and claimed under the Constitution, to wit, said article 4, section 1, of the Constitution of the United States.

3. That the State court of Rhode Island decided, against the contention of the plaintiff in error, that it would not give full faith and credit to paragraph 1192 of the General Statutes of the State of Kansas, and to the judicial construction thereof by the highest

courts of said State, as required by article 4, section 1, of the Constitution of the United States, and by section 905 of the Revised Statutes of the United States, although their attention was drawn thereto, and thereby defeated the right of the plaintiff in error to enforce by appropriate action its claim against the said Farnum, as aforesaid.

4. That the supreme court of Rhode Island decided, against the contention of the plaintiff in error, that it would not give full faith and credit to the judicial proceedings of the circuit court of the United States of America for the district of Kansas, as set forth in the pleadings, as required by article 4, section 1, of the Constitution of the United States, and by section 905 of the Revised Statutes of the United States, although their attention was drawn thereto, and thereby defeated the right of the plaintiff in error to enforce by appropriate action its claim against said Farnum, as aforesaid.

5. The supreme court of the State of Rhode Island erred in the decision rendered in this case in failing to give full faith and credit to the laws and constitution of the State of Kansas which were presented in the pleadings, in failing to give full faith and credit to the judicial construction of such laws by the highest court of the State of Kansas, and in failing to give full faith and credit to the judicial proceedings of the circuit court of the United States
29 of America for the district of Kansas, as set forth in the pleadings.

Wherefore the said Hancock National Bank prays that the judgment of the supreme court of the State of Rhode Island, holden at Providence, within and for said State of Rhode Island, be reversed, and that the said Supreme Court of the United States may cause further to be done to correct said error what of right and according to the laws and custom of the United States should be done.

HANCOCK NATIONAL BANK,
By H. J. JAQUITH.
(S'g'd) W. R. BIGELOW.
WM. J. CRONIN.
JOHN E. CONLEY.

30 (*Bond.*)

Know all men by these presents that we, the Hancock National Bank, a banking association, to wit, a corporation organized and existing under the laws of the United States of America and having its usual place of business at Boston, in the county of Suffolk and Commonwealth of Massachusetts, as principal, and Nathan W. Littlefield, of the city of Pawtucket, in the county of Providence and State of Rhode Island, as surety, are held and firmly bound unto Jonathan W. Farnum, of Woonsocket, in the county of Providence and State of Rhode Island, in the full and just sum of two hundred and fifty dollars, to be paid to the said Jonathan W. Farnum, his certain attorneys, executors, administrators, or assigns; to which payment, well and truly to be made, we bind ourselves,

our heirs, executors, and administrators, jointly and severally, by these presents.

Sealed with our seal and dated the 14th day of May, in the year of our Lord one thousand eight hundred and ninety-eight.

Whereas lately, on the 19th day of April now last past, in the supreme court of the State of Rhode Island, holden at Providence, within and for said county of Providence, in a suit pending in said court between said Hancock National Bank, plaintiff, and said Jonathan W. Farnum, defendant, a final judgment was rendered against said Hancock National Bank, and said Hancock National Bank having procured a writ of error and filed a copy thereof in the clerk's office of the said court to reverse the said judgment in the aforesaid suit, and a citation directed to the said Jonathan W.
Farnum, citing and admonishing him, the said Farnum, to
31 be and appear at a Supreme Court of the United States, to be holden at Washington on the — day of —— next:

Now, the condition of the above obligation is such that if the said Hancock National Bank shall prosecute its said writ of error to effect and answer all damages and costs if it fail to make its plea good, then the above obligation to be null and void; otherwise to remain in full force and virtue.

[L. S.] HANCOCK NATIONAL BANK,
(S'g'd) By DENMAN BLANCHARD, *Cashier.*
(S'g'd) NATHAN W. LITTLEFIELD.

Surety satisfactory.
(S'g'd) EDWARDS & ANGELL,
Att'ys for Def't in Error.

Approved:
(S'g'd) CHARLES MATTESON,
Chief Justice of the Supreme Court of the State of Rhode Island, &c.

32 STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS, *Providence,* } *sc:*

Supreme Court, Common Pleas Division, September Session, A. D. 1897.

HANCOCK NATIONAL BANK *vs.* JONATHAN G. FARNUM. } No. 4861.

Said case was duly entered in this division at its September session, A. D. 1896, to wit, on January 8th, A. D. 1897; and thereupon said defendant demurred, and in case of the overruling of said demurrer, made answer; and, issue being joined on said demurrer, said case was, by order of the court—Rogers, J.—certified to the appellate division of said supreme court within and for said county of Providence upon said defendant's substantial demurrer to said

declaration; and now, at this present September session, A. D. 1897, of this said common pleas division of said supreme court within and for said county of Providence, to wit, on April 14th, A. D. 1898, said defendant's demurrer to said declaration is sustained by said appellate division and said case remitted to this said common pleas division for further proceedings; and thereupon, to wit, on April 19th, A. D. 1898, said plaintiff corporation thereupon makes submission. It is therefore, to wit, on April 26th as of 19th, A. D. 1898, considered by the court that said defendant recover and have of said plaintiff corporation his costs of defence, taxed at $—; and thereupon, to wit, on May 16th, A. D. 1898, said plaintiff corporation's petition for a writ of error is filed and granted and its bond is filed and approved by the Honorable Charles Matte-
33 son, chief justice of the supreme court of the State of Rhode Island and Providence Plantations; and thereupon, to wit, on May 18th, A. D. 1898, a citation is issued by said Matteson, C. J., to said defendant, Jonathan B. Farnum, citing him to be and appear at a Supreme Court of the United States, to be holden at Washington, on the fifteenth day of June, A. D. 1898, pursuant to said writ of error; and thereupon, to wit, on this 27th day of May, A. D. 1898, said writ of error is returned to said Supreme Court of the United States, with a certified copy of the record and proceedings in said case annexed.

Attest:

(S'g'd) GEO. E. WEBSTER, *Clerk.*

34 STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS, *Providence,* } *sc:*

Supreme Court, Common Pleas Division, Clerk's Office, May 27th, A. D. 1898.

HANCOCK NATIONAL BANK *vs.* JONATHAN B. FARNUM. } No. 4861.

I, George E. Webster, clerk of said common pleas division of the supreme court within and for said county of Providence, do hereby certify the aforegoing to be a true copy of the record and proceedings in the above-entitled cause now remaining in said division of the supreme court, together with a true copy of the opinion upon demurrer in said cause of the appellate division of said supreme court within and for said county of Providence, as certified by the clerk of said appellate division, a copy thereof being now on file in this said common pleas division, in which said cause judgment is rendered at this present September session, A. D. 1897, of this said common pleas division.

Seal Supreme Court, Providence County, Common Pleas Division, State of Rhode Island and Providence Plantations.

Witness my hand and the seal of said common pleas division, at the city of Providence, in said county of Providence, this twenty-seventh day of May, A. D. one thousand eight hundred and ninety-eight.

GEO. E. WEBSTER, *Clerk.*

35 [Endorsed:] Certified copy of record and proceedings and opinion in case Hancock National Bank *vs.* Jonathan B. Farnum. No. 4861. September session, A. D. 1897, common pleas division of supreme court, county of Providence, State of Rhode Island and Providence Plantations. (Copy, $10.00.) Boston, Mass., Jun- 7, 189–. Registry div.

Endorsed on cover: Case No. 16,900. Rhode Island supreme court. Term No., 315. The Hancock National Bank, plaintiff in error, *vs.* Jonathan W. Farnum. Filed June 9, 1898.